

Republican Achievements on Social Security

Saving Social Security

President Bush

The President provided true leadership by establishing the bipartisan Presidential Commission to Strengthen Social Security. The President asked the Commission to make recommendations that modernize and strengthen Social Security while applying key principles that include:

- C No change to existing benefits for retirees or near retirees.
- C No increase in Social Security payroll taxes.
- C No government investment of the Social Security Trust Funds in the stock market.
- C Disability and survivor components of the Social Security program must be preserved.
- C Individually controlled, voluntary personal retirement accounts, will augment the Social Security safety net.

President's Commission to Strengthen Social Security

The Commission recommended three approaches to saving Social Security, and all include voluntary personal retirement accounts. The first option establishes personal accounts without other changes to the existing Social Security program. The other two options restore Social Security to fiscal solvency through personal accounts and improve benefits for widows and low-income workers.

House of Representatives

- C On December 13, Chairman Shaw of the Ways and Means Subcommittee on Social Security introduced H Con Res 282. It pledged to save Social Security as soon as possible without benefit cuts or tax increases. This resolution is consistent with the Commission's recommendations and was overwhelmingly approved by both Republicans and Democrats in the House by a vote of 415-5.
- C Shaw introduced a plan that provides voluntary personal accounts, guarantees full, promised current law benefits to all workers and retirees, improves benefits for women, and eliminates the senior earnings penalty – without benefit cuts or tax increases. Republicans have proposed several plans for restoring Social Security's solvency. Democrats have only introduced plans that increase taxes and lower benefits.
- C Republicans have honored their commitment to use almost all the Social Security surplus in FY 1998, and all the Social Security surplus in FY 1999 and FY 2000 to pay down publicly held debt. Even under the pressures of the recent economic slowdown and the funding needed to recover from the attacks, much of the Social Security surplus went to reduce debt in FY 2001.

The publicly held debt fell by:

- T **\$56 billion** in Fiscal Year 1998
- T **\$98 billion** in Fiscal Year 1999
- T **\$231 billion** in Fiscal Year 2000
- T **\$66 billion** in Fiscal Year 2001

- That's **\$451 billion** of debt reduction over in 4 years, marking the first time since 1946 that the debt has fallen in 4 consecutive years.
- Even this year, both Houses of Congress required that no congressional budget use Social Security surpluses only to save Social Security or pay down the debt, **but suspended this requirement during times of recession or war.**
- As late as August 2001, President Bush announced his commitment to keep from using the Social Security surplus, **unless the country entered a recession or faced war.**

Since September 11-

- C It is now likely that the entire government will not run a surplus for FY 2002 and FY 2003 due to the slowing economy, the enormous costs of recovery from the attack, protecting ourselves at home, and fighting the enemy abroad.
- C Rather than reducing publicly-held debt, we will use surplus payroll taxes not immediately needed to pay benefits to help insure our domestic security by funding the fight against terrorism, creating jobs, stimulating the economy, and repairing damages both fiscal and economic from the events of September 11th.

Other Social Security Achievements

- ***Increasing Benefits for Women*** - Because Social Security is so important to women, the House overwhelmingly approved legislation enhancing benefits for certain elderly and disabled widows and divorced spouses (H.R. 4069).
- ***Protecting Social Security Programs*** - The House also approved legislation to crack down on waste, fraud, and abuse in Social Security and provide needed assistance for individuals with disabilities (H.R. 4070).
- C ***Repealed the Earnings penalty*** – for those who have reached full retirement age (P.L. 106-182 – April 7, 2000)
- C ***Ticket to Work*** – removed barriers and created new opportunities for individuals with disabilities to return to work (P.L. 106-170 – 12/17/99)
- C ***Addressed Waste, Fraud, and Abuse*** – by stopping disability payments to drug addicts and alcoholics and authorizing funding of drug and alcohol treatment program and services; and authorized additional funds to ensure those whose conditions have improved are no longer receiving disability benefits (P.L. 104-121 – 3/29/96)
- C ***Repealed the Clinton Tax on Social Security benefits*** – passed the House on 7/27/00, but was not taken up by the Senate.